



Proposed Amended Rule 1148.1 Oil and Gas Production Wells

Public Workshop

SCAQMD Headquarters - Auditorium

April 16, 2015

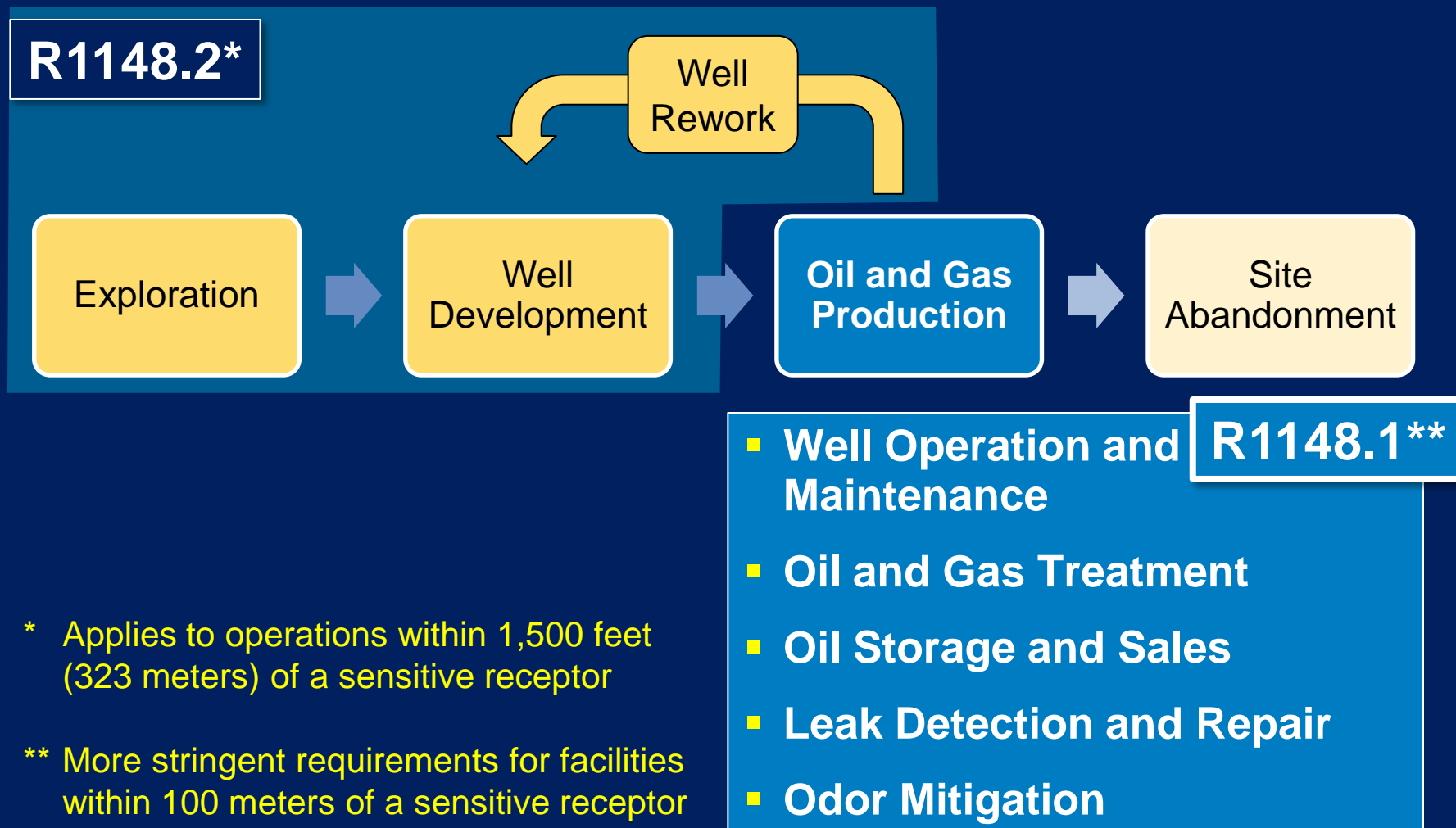
Purpose of Amendment

- Enforceable mechanisms to reduce odor nuisance potential
- Enhanced communication
 - Facility impacts, activities and corrective actions
 - Recognition of ongoing efforts
- Preventative and pro-active rather than reactive measures
- Promote clarity, consistency and enforceability



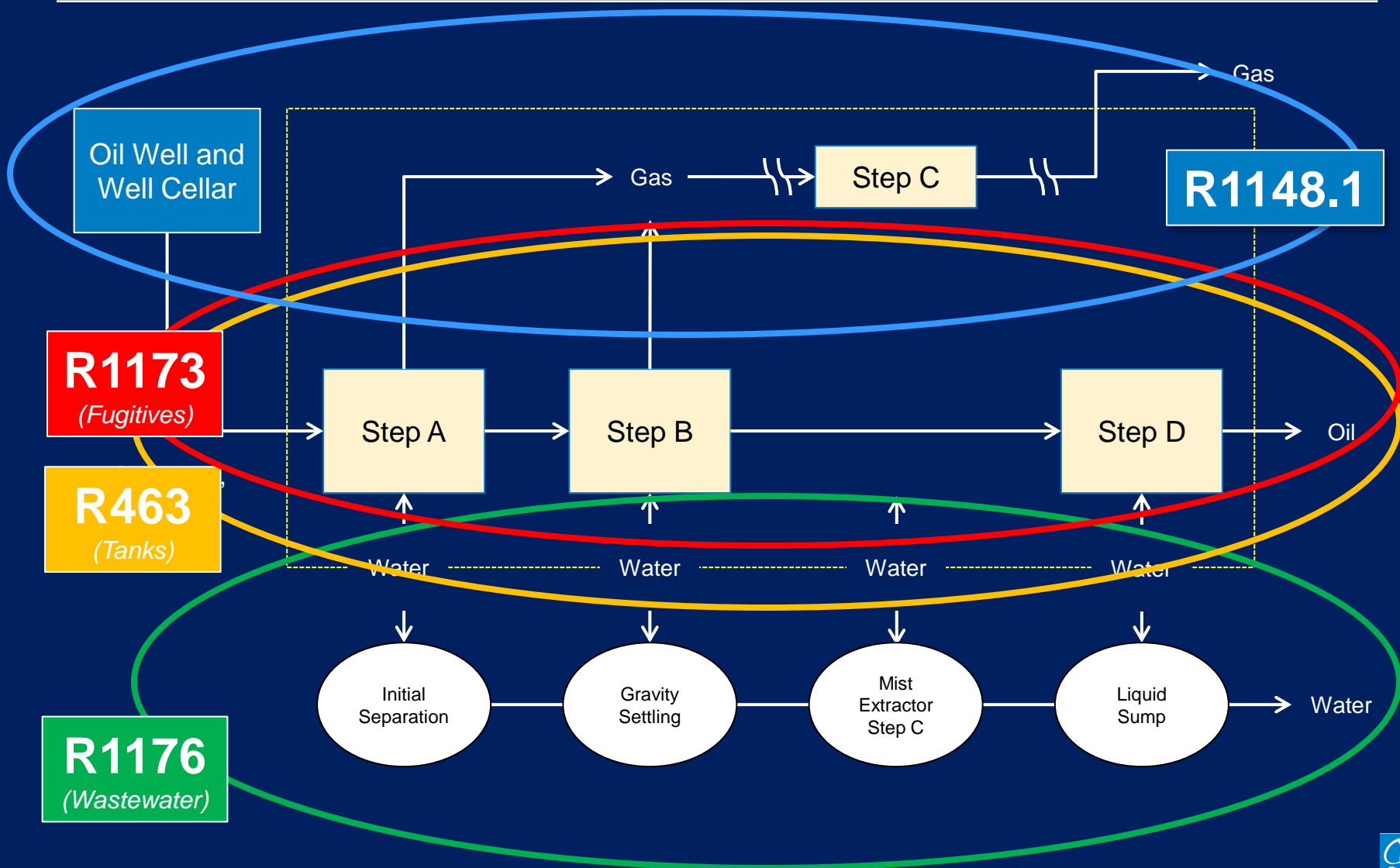
Background

Oil and Gas Production Facilities – Rule 1148.1 Scope



Background

Oil and Gas Production Facilities - Schematic



Proposed Amendment

Proposed Amendment

(a) Purpose, (b) Applicability

Purpose

Update to include
broadening of scope to
address public nuisance

Applicability

Clarify that oil and gas
production facilities are
also subject to other SCAQMD rules



Proposed Amendment

(c) Definitions

- **Confirmed Odor Event**
 - Three independent complainants
 - SCAQMD inspector verification
- **Sensitive Receptor**

Harmonize with R1148.2 definition
- **Specific Cause Analysis**

Facility process to investigate cause of confirmed odor event and identify corrective actions
- **Include definitions from cross-over rules**
 - Rule 1173
 - Component
 - Heavy Liquid
 - Leak
 - Light Liquid
 - Organic Liquid
 - Rule 1176
Wastewater
- **Other definitions for clarity**
 - Water Injection Well
 - Workover Rig

Proposed Amendment

(d) Requirements

Paragraph	Proposed New Requirement	Effective Date
(d)(10)	Utilize rubber grommet to ensure dry drill piping removal during maintenance involving workover rigs	<i>30 days after adoption</i>
(d)(11)	Use centrally located monitoring systems or control centers	<i>180 days after adoption</i>
(d)(12)	Post instructions for logging odor complaint with SCAQMD, and facility identification information (name and contact number)	<i>30 days after adoption</i>

Proposed Amendment

(e) Operator Inspection Requirements

Require daily inspection of any stuffing box or produced gas handling and control equipment located within 1,500 feet rather than 100 meters of a sensitive receptor



Proposed Amendment

(f) Odor Mitigation Requirements



- Specific Cause Analysis
- Odor Mitigation Plan Elements
- Odor Mitigation Plan Requirements

Odor Mitigation Requirements

Specific Cause Analysis

- Required for each Confirmed Odor Event (≥ 3 Complaints)
- Specific Cause Analysis report to be submitted within 30 calendar days following receipt of written notification
- Specific Cause Analysis report to include:
 - Equipment or activity involved
 - Associated regulatory requirements
 - Identification of associated facility procedures or plans, including:
 - Standard operating procedures
 - Emergency or leak prevention plans
 - Spill prevention plans
 - Preventative maintenance scheduling
 - Identified corrective actions and any associated updates to facility procedures or plans
- Certified by Responsible Party that all information is true and correct

Odor Mitigation Requirements

Odor Mitigation Plan

■ Odor Mitigation Plan Elements

- Equipment with odor potential and associated procedures, including repair and maintenance scheduling
- Other activities with emission or odor potential and associated odor management procedures

■ Odor Mitigation Plan Measures

- Odor surveillance or equivalent odor monitoring equipment
- Use of alternative fueled or electric powered workover rigs
- Enclosure or tarping of removed piping and drill rods
- Reduced repair times for leaking components
- Any corrective action from a Specific Cause Analysis report previously submitted by the facility

Proposed Amendment

(g) Recordkeeping

Additional language for clarity and consistency, including records associated with repair and maintenance and required clean-out scheduling



Proposed Amendment

(h) Test Methods



- Add test methods associated with leak detection and repair
- Administrative changes for consistency

Proposed Amendment

(i) Exemptions

- Refine exemption previously identified for consistency with company safety manual or policy
- Administrative edits for consistency and section renumbering



Proposed Amendment

Additional Considerations

- Clarify that specific cause analysis and associated reports should be for the confirmed odor event that triggered the action
- Clarify that the current exemption related to safe practices also applies to measures contained within an approved odor mitigation plan
- Maintain the current exemption for low producing oil and gas wells (≤ 1 bbl/day oil; ≤ 200 cu. ft./day gas) providing the well is not located within 100 meters of a sensitive receptor

Key Issues - Community

Communication and Transparency

Community Perception

- Facilities are not adequately controlled or monitored
- Any odor is:
 - An indicator of non-compliance
 - Probably unhealthy
 - An actionable event
- Agencies should not rely on complaints to drive action
- All facilities represent a nuisance threat and require preventive measures

Assessment

- Facility production activities are largely controlled and monitored
- Some activities not specifically covered by existing standards may pose a nuisance potential
 - Repair and Maintenance
 - Breakdown/Process Upset
 - Rule 1148.2 Activities
- Most odor events are attributable to procedural deficiencies in implementing existing standards, not in the standards themselves

The Amendment Seeks to Bridge the Perception Gap Through Improved Communication and Transparency and Through Integration of Best Practices

Community Notification

The screenshot shows a web browser window with the URL <http://www3.aqmd.gov/webappl/cc>. The page title is "South Coast Air Quality Management District" and the subtitle is "Complaint Reporting System". There are two tabs: "New Complaint" and "Track Complaint". The page welcomes users to the online complaint reporting system and provides contact information: 1(800)CUT-SMOG or 1(800)288-7664. The "Your Information" section includes fields for Phone, Email, First Name, Last Name, Street Name, City (dropdown), and Zip. A "Remember Me" checkbox is also present. The "Complaint Details" section includes a "Complaint Type" dropdown, a "Description" text area, "Date detected" (3/6/2015), "Time Detected" (HH:MM AM/PM), "Business Name (if known)", "Street Name / Cross Street", "City" (dropdown), and "Zip". There is a "Browse..." button to attach a picture or video to the complaint. A note at the bottom states: "(Supported formats include .jpg, .png, and .gif)".

- Add mechanism through Board Resolution to communicate confirmed odor events on the SCAQMD web page or another method
- Utilize communication mechanism to address perception gap

Proposed Board Resolution Item to Support Development of Web Page and other Communication Mechanisms

Key Issues – Regulated Facilities

Priority and Feasibility

Industry Perception

- **Complaints are:**
 - Typically Incidental to normal operations
 - Primarily related to non-odor issues such as noise or aesthetics
 - Addressed through R1173 if odor related
- **Most facilities do not represent a nuisance potential**
- **Additional monitoring or controls may not be technically feasible or cost effective**

Assessment

- **Public nuisance complaints must overcome a high hurdle to drive action**
- **Confirmed odor events may not be public nuisances but can represent nuisance potential**
- **Facilities with nuisance potential should continually improve operations through implementation of best practices**

The Amendment Seeks to Bridge the Perception Gap Through Improved Communication and Transparency and Through Integration of Best Practices

Rule Development Milestones

Milestone	Date
Working Group #1 (24th Street Elementary School)	November 13, 2014
Working Group #2 (Denker Recreation Center)	January 15, 2015
Stationary Source Committee	February 20, 2015
Working Group #3 (Montebello City Council Chambers)	March 26, 2015
Public Workshop	April 16, 2015
Stationary Source Committee	April 17, 2015
Set Hearing	May 1, 2015
Public Hearing	June 5, 2015